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Association
Directors

★★★

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CIM Group, Inc.

Joel Fisher
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mm Theatres

Nathan Korman
1723 Wilcox

Ron Radachy
*Oasis
of Hollywood*

Hilary Royce
*Church of Scientology
International*

Alan Sieroty
Sieroty Company

Thaddeus Smith
*The Music Box at the
Henry Fonda*

Tej Sundher
*Hollywood
Guinness Wax
Museums*

John Tronson
*Tronson Investment
Group*

Bob Victor
*VanDwen Realty
Corporation*

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Kerry Morrison
Executive Director



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Property Owners Association**
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July 21, 2006

TO: Holly Wolcott
Office of the City Clerk

FROM: Kerry Morrison
Executive Director
Hollywood Entertainment District POA

SUBJECT: Second Quarter
April 1, 2006 - June 30, 2006

As is required in our Agreement with the City of Los Angeles, I am submitting our Second Quarter Report to summarize key activities of the Hollywood Entertainment District.

I. Operational Issues

- The Board approved the Annual Financial Review (for 2005) prepared by RBZ, LLP at their April 26, 2006 meeting.
- The summary report from the February Board retreat was approved by the Board in April and mailed to the property owners along with the Annual Report in May, 2006.
- An All Property Owners Meeting was held on May 24, 2006 at Cinespace on Hollywood Boulevard. The BID presentation was preceded by a presentation by Los Angeles City Planning on the update of the Hollywood Community Plan, which is currently underway.
- The Board approved an augmentation to the annual salary budget to allow for one additional day for Emily Hodos (bringing her schedule to four days a week) and a salary increase.
- The Board voted in June to adopt a three percent property assessment increase for the 2006-07 tax year.

II Security

- President Monica Yamada named John Tronson chair of the Security Committee in May, after the resignation of Joel Fisher.

- The summer unarmed "ambassador" experiment commenced on June 12, 2006. During the summer, one of the armed footbeats is replaced with two unarmed ambassadors who answer questions from tourists and contact the security office if there are issues that warrant attention from the armed officers. This demonstration project will last 12 weeks.
- The camera system is not operational yet, and HED has expressed displeasure with the delays experienced with Metro Video in completing the installation of the camera system.
- HED is working with the City Attorney, LAPD, and the Council office to explore additional ways in which the city can regulate the behavior and/or identity of costumed street characters on the Boulevard, near the Chinese and Kodak Theatres.

III Streetscape Issues

- The Board adjusted the Clean Street contract in April by 4.5% to reflect the change in the CPI the previous year. The contract runs through April, 2007.
- As a result of a walk-through conducted by HED staff, the landscape contractor and Dr. Donselman, a palm tree specialist, it was determined that five of the Mexican Fan Palms planted in November, 2005 were damaged, possibly due to "stem bending disease," an airborne disease. The trees will be replaced under warranty.
- Further, Dr. Donselman reported that the tree illegally trimmed by Viacom Outdoor (now CBS Outdoor), located at the NW corner of Hollywood & Highland, appears to be failing. Staff will initiate formal communications now with CBS as to the recovery of costs associated with replacing that tree.

IV Marketing Issues

- The *Los Angeles* magazine published its June issue with a cover devoted to Hollywood, "Hollywood is Back."
- The 2006-07 version of the Hollywood Visitors Guide was completed and distributed in June.
- The "Hollywood 90028" pole banners were installed throughout the District in June.

- The Board approved the purchase of a booth at the San Gennaro Festival in September, which is slated to return to the BID, after being located at The Grove for the last two years.
- A concept, tentatively called "Digital Hollywood" is under development which involves the installation of a wireless communications network in the District, where information can be accessed via PDA's, mobile phones and computer. The HEDPOA is in initial discussions with the Chamber and Global Icons on this idea.
- The Board approved an Agreement with Economics Research Associates for \$17,500 to conduct a 10-year economic snapshot of the BID, in preparation for the 10-year anniversary of the Hollywood Entertainment District in September.

V. OTHER

- Two USC students conducted a study on street closures in Hollywood, including the costs to the city and to the stakeholders. They interviewed the board of directors at their April, 2006 meeting.
- A property owner (representing Vanguard) from the area just outside of the BID, east of Gower, approached the Board at the June meeting requesting assistance in securing BID services for this area. The board discussed with him three options: (1) wait until the HED goes through renewal, and help to secure support to extend the boundaries of the BID to Bronson, or to the freeway; (2) form a small BID, with an expiration date to coincide with the 12/31/08 expiration of the HED; (3) raise money to purchase services under contract from BID vendors as an interim measure until they can be incorporated into a new BID in 2009. Discussions will continue with HED staff.
- The HED will host the International Downtown Association Winter Institute in January 2007.
- Kerry Morrison attended a portion of the CRA Strategic Planning Retreat in April.
- Morrison assisted property owners in the Central Hollywood Coalition in meetings with Sunset/Vine BID (in formation) property owners to describe the benefits of a BID, and to help secure petitions for their BID formation. Morrison organized a meeting of Cahuenga property owners in April to discuss the new Sunset-Vine BID. These owners were previously members of the HED.
- Morrison was interviewed by Channel 35 who was doing a documentary

about the first 20 years of the CRA.

- Morrison participated in a workshop for the community relative to the need for open space and public plazas in Hollywood, sponsored by the City Planning Department, on May 31.

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Revenue Received to Date: \$ 1,925,969

Budget Line Item	Budget Allocation	Total Expended this Quarter	Q1 Expenses	total Expended YTD	Projected Remaining for the Year
Security	1,112,000	250,098	229,154	479,252	632,748
Maintenance & Streetscape	636,195	212,066	106,530	318,596	317,599
Marketing & Consulting	156,000	43,900	19,901	63,801	92,199
Administration	136,271	20,753	44,909	65,662	70,609
Personnel	221,676	56,954	57,910	114,864	106,812
Contingency	60,000	-	-	-	60,000
Total	2,322,142	583,771	458,404	1,042,175	1,279,967